



17555 PEAK AVENUE MORGAN HILL, CALIFORNIA 95037

Morgan Hill Civic Center
Council Chambers
17555 Peak Avenue
Morgan Hill, California

Chairperson:
Committee Member:
Staff:

Council Member Larry Carr
Council Member Steve Tate
Assistant to the City Manager Melissa Stevenson Dile
Police Chief Bruce Cumming
Recreation and Community Services Manager Julie Spier
Deputy Director of Public Works Mori Struve

Term Expires

January 2006

January 2007

PUBLIC SAFETY AND COMMUNITY SERVICES SUBCOMMITTEE

REGULAR MEETING

March 23, 2005

5:00 p.m.

CALL TO ORDER

DECLARATION OF POSTING OF AGENDA

In compliance with Government Code 54954.2

PUBLIC COMMENTS

The Morgan Hill Public Safety and Community Services Subcommittee welcomes comments from all individuals on any agenda item being considered by the Subcommittee. In the interest of brevity and timeliness, and to ensure the participation of all those desiring an opportunity to speak, comments presented to the Subcommittee are limited to three minutes time.

BUSINESS:

1. School Resource Officer Funding (No written report)
2. Indoor Recreation Center Update
3. Review of the Sobrato Soccer Complex Proposal
4. Future Agenda Planning (No written report)
5. Future Meeting Schedule

FUTURE SUBCOMMITTEE-INITIATED AGENDA ITEMS

ADJOURNMENT

NOTICE
AMERICANS WITH DISABILITIES ACT (ADA)

The City of Morgan Hill complies with the Americans with Disabilities Act (ADA) and will provide reasonable accommodation to individuals with disabilities to ensure equal access to all facilities, programs and services offered by the City.

If assistance is needed regarding any item appearing on the Utilities and Environment Subcommittee agenda, please contact the Office of the City Clerk at 17555 Peak Avenue, or call 779-7259 (or, Hearing Impaired only – TDD 776-7381) to request accommodation.

**PUBLIC SAFETY AND
COMMUNITY SERVICES SUBCOMMITTEE**



STAFF REPORT: *March 23, 2005*

INDOOR RECREATION CENTER UPDATE

EXECUTIVE SUMMARY:

Now that design of the Indoor Recreation Center is complete and the project has gone out to bid, staff have resumed discussions with South Valley YMCA/Mt. Madonna YMCA regarding provision of aerobics and fitness services at the IRC. At this time, YMCA staff have indicated they will not submit a proposal for provision of aquatics services, in order to allow uniformity in the aquatics programs offered at the Aquatics Center and the IRC.

These discussions are intended to lead to a contract with the YMCA for provision of aerobics and fitness services, in accordance with prior Council discussion. Contract negotiations are expected to be complete by August 2005.

In the context of those negotiations, staff would like the Subcommittee's feedback on their expectations for the contract to be cost-neutral.

In addition, staff are beginning to plan for the groundbreaking ceremony for the IRC. Construction bids are due March 22, and will be presented to Council on April 4. Staff are tentatively planning for a late-afternoon groundbreaking on May 20, following the Council's budget workshop.

FISCAL IMPACT:

None.

RECOMMENDED ACTIONS:

Provide direction on YMCA contract negotiations.

Provide feedback on IRC groundbreaking event, if desired.

Prepared by: Melina Stevenson
Assistant to the City Manager

**PUBLIC SAFETY AND
COMMUNITY SERVICES SUBCOMMITTEE**



STAFF REPORT: *March 23, 2005*

REVIEW OF SOBRATO SOCCER COMPLEX PROPOSAL

EXECUTIVE SUMMARY:

Attached is a proposal from the San Jose Soccer Complex Foundation requesting that the City of Morgan Hill contribute \$1 million toward the development and construction of the Silicon Valley Soccer Complex. Under this proposal, the City would be a "lead contributor" in a \$7 million fundraising effort. The proposal includes a cost estimate for the different construction phases.

In response to questions asked by staff, the Foundation added the following information:

- The City would be asked to reimburse the Foundation for actual expenses shortly after they are expended. The City would not be asked to front the funds prior to work being done.
- For the Complex to be totally functional, they will need approximately \$6 million (not including construction of two proposed artificial turf fields). Ground breaking for the Complex will not take place until they have funding commitments for the majority of the expenses.

The governing board of the Foundation would like to present their proposal to the Council, possibly preceded by a hearing before the Public Safety and Community Services Subcommittee.

FISCAL IMPACT:

This project is in the City's Capital Improvement Program. Of the original \$1 million allocation, \$974,000 remains, following payment for design services. If the proposal is accepted, the City would commit \$1 million toward the development and construction of the Silicon Valley Soccer Complex.

RECOMMENDED ACTIONS:

Provide feedback on proposal, and on whether a presentation is desired.

Prepared by: Melina Stevenson
Assistant to the City Manager

CITY OF MORGAN HILL

MAR 07 2005

CITY MANAGER

San Jose Soccer Complex Foundation

1027 West Taylor Street

San Jose, CA 95126

March 3, 2005

Mr. J. Edward Tewes
City Manager
17555 Peak Avenue
Morgan Hill, CA 95037-4128

Dear Mr. Tewes:

Thank you for the opportunity to put before you and the City of Morgan Hill Council members, our enclosed proposal for support of the Silicon Valley Soccer Complex ("Complex"). The San Jose Soccer Complex Foundation ("Foundation") is fully committed to make this Complex a reality, and we would welcome and appreciate having a strong partnership with the City of Morgan Hill.

Our request of the City of Morgan Hill is for \$1 million dollars as a lead contributor for the development and construction of the Silicon Valley Soccer Complex. The present design of the Complex calls for 16 fields to be constructed on a 50-acre parcel of "open space" owned by the City of San Jose on the Morgan Hill border, adjacent to Ann Sobrato High School. We expect a similar leadership position from others who have a keen passion for youth soccer.

'Kick Start,' as we call our capital campaign, is just completing its Study Phase—and beginning the Fundraising Phase. We will be launching initiatives with each stakeholder segment. There is no doubt about the critical need for additional soccer fields as has been recently chronicled in a couple articles in the San Jose Mercury News.

The plan is to break ground at the earliest possible date when we have the necessary financial commitment(s) to ensure the complex can be completed. Our goal is \$7 million dollars, and our initial analyses indicate a high probability of raising these funds—with your help.

Thank you again for your and the Council members' consideration of our request. Should you have any questions or require additional information, please do not hesitate to contact me.

Sincerely,

s/ David H. Morton

David H. Morton, President
San Jose Soccer Complex Foundation

Enclosure

Soccer Complex Funding Request

City of Morgan Hill
March 2005

San Jose Soccer Complex Foundation

San Jose Soccer Complex Foundation

The San Jose Soccer Complex Foundation ("SJSCF" or "Foundation") was incorporated in California on October 6, 2003. The purpose of the Foundation is to raise the capital necessary to fund the design and construction of the soccer complex to be known as the Silicon Valley Soccer Complex ("SVSC" or "Complex"). SJSCF will be responsible for the management and maintenance of the Complex. The Foundation has received its non-profit organization status from the State of California and its 501 (c) (3) status from the Internal Revenue Service.

Today, soccer is the fastest growing sport in the United States. Soccer is the second largest participatory sport (ages 6 – 17) in the United States with 18+ million players. California is the top soccer state with well over 2 million youth players. Further, the metropolitan bay area is the 4th largest soccer market in the United States.

In connection with the explosive growth in the sport, demand for soccer field usage has increased dramatically, particularly in the last decade with the number of participants increasing to record highs in all levels of play. Also, increased restrictions relative to the time and days of use of present facilities have further magnified the demand for existing soccer fields. Further, the closures of numerous schools means their athletic fields are no longer available for use. In addition to the above, the field shortage issue in the South Bay and Peninsula areas is further exacerbated with the re-purposing of the Morgan Hill Soccer Complex (13 fields). This shortage of soccer fields in the South Bay and Peninsula areas has been chronicled in the San Jose Mercury News over the past few months.

There are 16 (sixteen) California Youth Soccer Association – North Leagues ("Leagues") serving over 25,000 youth in the counties of: Santa Clara, San Benito, Monterey, Santa Cruz, and San Mateo. Collectively the counties form District II. This does not include the thousands of players in the American Youth Soccer Organization ("AYSO") leagues, men's amateur leagues (adult), women's amateur leagues (adult), and co-ed leagues in these 5 (five) counties.

Over the past 10 years, the District II Leagues have been utilizing the Morgan Hill Soccer Complex. In anticipation of the re-purposing of the Morgan Hill Soccer Complex, the District II Leagues formed the Foundation with its purpose and mission as outlined previously. The SJSCF is a separate entity and not governed by California Youth Soccer Association – North ("CYSA-N"). To date, District II Leagues have provided approximately \$ 900,000 in seed funds to the SJSCF for a new soccer complex.

Proposed Complex Site

With the assistance of the City of Morgan Hill and City of San Jose, a site was identified for a new soccer complex. The site is a 50 (fifty) acre parcel of "open space" owned by the City of San Jose on the Morgan Hill border adjacent to Ann Sobrato High School. A

design for the Complex has been drafted and includes 16 (sixteen) fields. Additionally, the site will have approximately 875 parking spaces, modular restrooms, modular administrative offices, modular concession facilities, and modular maintenance and storage facilities. SJSCF will operate and maintain the Complex under an operating-type lease agreement ("Agreement") with the City of San Jose at no cost to the Foundation. The provisions of the Agreement with the City of San Jose have not been finalized, however, it is anticipated the term of the lease will be 25 years with an option to renew in 5-year increments.

In addition to providing the 50-acre parcel, the City of San Jose has agreed to fund approximately 90% of the environmental study (EIR) that is estimated to cost \$ 300,000. The EIR was approved by City Council in early February 2005 and is in process. It is anticipated that the EIR will be completed within 7 (seven) months.

The City of Morgan Hill has earmarked \$ 1,000,000 for the Complex. These funds, if approved by Morgan Hill's City Council, would be utilized as follows in constructing and outfitting SVSC: Design - \$ 40,000; Construction (specifically seed and landscape and irrigation) - \$ 300,000; Equipment - \$ 250,000; Modular Buildings - \$ 300,000; and Soccer Equipment - \$ 110,000.

Cost Estimate to Construct and Outfit Complex

Following is a cost estimate to construct and outfit the Complex. The estimated costs to construct SVSC are based principally upon information provided by Beals Alliance Inc.

Description	Timing	Cost
EIR	Fiscal 2005	300,000
Design fees	Fiscal 2005 and 2006	349,000
Construction:		
Site Preparation	Fiscal 2005	233,000
Well Drilling including well and pump system	Fiscal 2005	350,000
Grading and Drainage	Fiscal 2005 and 2006	734,500
Hardscape	Fiscal 2006	620,000
Fencing	Fiscal 2005 and 2006	190,000
Seed and Landscape Site	Fiscal 2005 and 2006	791,000
Irrigation	Fiscal 2005 and 2006	650,000
Contingency	Fiscal 2005 and 2006	443,800
Construction Costs		<u>4,012,300</u>
Equipment including tractor, mowers, maintenance carts and generators	Fiscal 2006	450,000
Modular Buildings including equipment, supplies storage, workshop, and restrooms	Fiscal 2006	515,000
Fixtures	Fiscal 2006	20,000
Soccer Equipment including goals, nets, and player benches	Fiscal 2006	150,000

Complex Signage	Fiscal 2005 and 2006	20,000
Outfit Costs		<u>1,155,000</u>
Subtotal		5,816,300
Outside Labor and Consultants	Fiscal 2005 and 2006	117,000
Construct 2 Fields with Artificial Turf	Fiscal 2007 and 2008	<u>1,800,000</u>
Total Estimated Cost		<u><u>7,733,300</u></u>

Assuming the EIR is completed within 7 months as discussed previously and the necessary funds have been raised and/or funding commitments have been received, the earliest the Complex would be ready for play would be the June-July timeframe of 2006. However, groundbreaking for the SVSC will not occur until sufficient funding commitments are in place to ensure the completion of the project.

Funding Sources

Over the past several years each player registered in one of the District II Leagues has been assessed a "field fund fee." On an annual basis these fees total approximately \$ 125,000. It is anticipated this assessment will continue at least 3 more years (through fiscal 2007) and possibly longer as required.

SJSCF has engaged the services of Essex & Drake Fund Raising Counsel to provide direction and assist with the Foundation's \$ 7 million major capital campaign. As part of the campaign strategy, District II parents and players will be mobilized and play a key role in the fundraising efforts. The capital campaign plan includes soliciting donations from private and corporate donors, soliciting individual and corporate sponsorships, and various fund raising events.

The Complex's ongoing operations are anticipated to be funded by revenues from field rentals, parking fees, District II Leagues' player field fund fees, sponsorship programs, concessions, special programs (e.g., soccer camps, training clinics with a soccer icon, etc.), and to a lesser degree private and corporate donations.

Benefits of the Complex

It goes without saying that the all soccer players would potentially benefit as the additional fields at the Complex would help relieve the field shortage issue. The Complex will be available for use by and serve all youth soccer leagues in District II and not just those participating in the District II Leagues. Further, the facility will be available for use by all the various men's, women's, and co-ed leagues throughout District II.

Businesses, particularly in the Morgan Hill community, would significantly benefit from the Complex. The players, coaches, parents, and spectators would utilize the services provided by the local restaurants, hotels, shops, and gas stations. It is anticipated that the Complex, at a minimum, would be utilized at least 40 (forty) weekends and probably more annually. And several of the activities held at the Complex would potentially be 3-day events.

Further, a quality soccer complex of this size could host large regional and national tournaments that attract many thousand players, parents, and spectators. Tournaments of this stature would be of major economic benefit to the Morgan Hill-San Jose communities.

Foundation Management

SJSCF President, Dave Morton, and the SJSCF Board of Directors manage the Foundation. The Board of Directors consists of Mr. Morton, SJSCF Executive Vice President Bob Joyce, the CYSA-N District II Commissioner, and the District II League Presidents.

Exhibit I

Proforma Financial Information

Balance Sheets

	August 31,				
	2005	2006	2007	2008	2009
Assets					
Cash and cash investments	1,739,501	100,945	310,582	250,367	1,086,387
Current Assets	1,739,501	100,945	310,582	250,367	1,086,387
Land improvements, net	426,990	2,770,412	3,091,317	3,786,221	3,575,026
Equipment, net	-	1,044,300	813,900	583,500	353,100
Buildings, net	-	419,900	375,700	331,500	287,300
Total Assets	<u>2,166,491</u>	<u>4,335,557</u>	<u>4,591,499</u>	<u>4,951,588</u>	<u>5,301,813</u>
Liabilities and Funds Balances					
Accounts payable	77,544	475,089	73,075	99,717	102,677
Salaries payable	9,983	10,450	10,200	13,248	13,927
Current Liabilities	87,527	485,539	83,275	112,965	116,603
Funds Balances	2,078,964	3,850,018	4,508,224	4,838,623	5,185,210
Total Liabilities and Funds Balances	<u>2,166,491</u>	<u>4,335,557</u>	<u>4,591,499</u>	<u>4,951,588</u>	<u>5,301,813</u>

Statements of Operations

	August 31,				
	2005	2006	2007	2008	2009
Revenue	2,207,500	3,667,000	1,979,800	2,002,200	2,089,000
Cost of Revenue	300,000	47,200	317,600	475,000	631,000
	1,907,500	3,619,800	1,662,200	1,527,200	1,458,000
Operating Costs	315,848	806,545	904,994	1,029,301	1,086,914
Construction Costs	187,688	1,039,701	84,000	156,000	-
	503,536	1,846,246	988,994	1,185,301	1,086,914
Other Income/(Expense)	3,000	(2,500)	(15,000)	(11,500)	(24,500)
Income/(Loss)	<u>1,406,964</u>	<u>1,771,054</u>	<u>658,206</u>	<u>330,399</u>	<u>346,586</u>

**PUBLIC SAFETY AND
COMMUNITY SERVICES SUBCOMMITTEE**



STAFF REPORT: *March 23, 2005*

FUTURE MEETING SCHEDULE

EXECUTIVE SUMMARY:

With the establishment of policy subcommittees, each subcommittee has been asked to establish a regular meeting schedule. For your reference, the other committees are meeting on the following dates:

Financial Policy Subcommittee: Fourth Wednesday of the month, 6 – 7 pm

Regional Planning and Transportation Subcommittee: Second Friday of the month, 10 am – noon

Community and Economic Development Subcommittee: Third Tuesday of the month, 8:30 – 9:30 am

Utilities and Environment Subcommittee: Third Monday of the month, 5:30 – 6:30 pm

FISCAL IMPACT:

None.

RECOMMENDED ACTION:

Establish regular monthly meeting dates.

Prepared by: Melina Stevenson
Assistant to the City Manager